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ARTICLES:

(1) Ruling parties to ask DPJ for talks on supply assistance bill, and may revise it based on that party's counterproposal (Asahi)

ASAHI (Top play) (Excerpt)
Eve., November 7, 2007

The secretaries general and other executives of the Liberal Democratic Party (LDP) and New Komeito, in a meeting this morning at a Tokyo hotel, discussed such issues as Diet managed from now and confirmed the plan to extend the Diet session that is scheduled to end on Nov. 10. In addition, the ruling camp executives agreed to a policy course of asking the Democratic Party of Japan (DPJ or Minshuto) for revision talks based on that party's having compiled a counterproposal to the ruling camp's supply assistance special measures bill that would allow a restarting of refueling services by the Self-Defense Forces in the Indian Ocean. Although consideration is being given to extending the Diet session for approximately a month, the final decision will be made after making sure where the revision talks are going.

The government and ruling camp's plan is to pass the special measures bill during the Diet extension. On the other hand, the counterproposal of the DPJ is centered on providing civilian assistance for Afghan reconstruction, so the government would like to meet the party half way by possibly including that contents into its bill. The LDP's Secretary General Ibuki at the meeting instructed, "Since the counterproposal has been made, we should call on them to accept a compromise proposal." The ruling camp will call for revision talks at a directors' meeting of the special committee

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for anti-terrorist measures in the afternoon of Nov. 7.

(2) Ozawa changes mind due to strong calls from within party; Despite lingering criticism and deep wound, DPJ plays up unity to avoid schism

NIKKEI (Page 3) (Abridged)
November 7, 2007

The question of resignation of Democratic Party of Japan (DPJ or Minshuto) President Ichiro Ozawa that followed a wild path finally settled yesterday with his decision to stay on as party president. What promoted Ozawa to change his mind were strong calls from within the party to stay on. The calls largely resulted from concerns that Ozawa's departure from the DPJ might cause the party to break up. Criticism is simmering in the party toward Ozawa's dogmatic political approach, as seen in the abrupt idea of forming a grand coalition. The DPJ is left with a deep wound and seeds of conflict.

On the night of Nov. 6, deputy presidents Naoto Kan and Azuma Koshiishi and Secretary General Yukio Hatoyama called on Ozawa at his private office near the Diet building to try to persuade him for the last time.

Kan: "No one is opposed to dissuading you from resignation."

Ozawa: "Do all the party members think it's appropriate for me to stay on?"

The meeting lasted about 40 minutes. Hatoyama and others continued the explanation by producing data on what was discussed by party members in accordance with the number of times elected to the Diet. Toward the end of the session Ozawa decided to withdraw his resignation, saying, "I feel I've made an exhibition of myself, but ..."

The party was unanimous in wanting to dissuade him from resigning, and that mattered much to Ozawa. If he retracted his withdrawal easily, his grip on the party would inevitably weaken. Making the decision to stay on in the form of complying with the party's strong request would help pave the way for seizing power later. It was a

strategy that took advantage of the party's mood fearing to lose Ozawa and the current situation, in which there is no one capable of replacing him.

On the afternoon of Nov. 6, hours before the meeting with Hatoyama and others, Ozawa was visited by his longtime friends, including Kozo Watanabe and Vice President Hajime Ishii, at the Tokyo hotel he was staying. After the meeting, Ishii described Ozawa this way: "He was not depressed and developed his stock argument." Ozawa also frankly asked if there was any opposition.

The meetings of four hours based on number of terms elected were designed to dispel Ozawa's concern. However, contrary to the leadership's intention, some DPJ members criticized and made requests of Ozawa in the meetings.

Criticism is simmering about the fact that Ozawa tried to form a coalition with the LDP against the campaign pledge to aim at regime change in the next Lower House election and that he expressed skepticism about the DPJ's ability to assume political reins and win the next Lower House election.

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Ozawa explained to Ishii and others that he had simply warned that the party would not be able to win the next election because some junior members had been carried away by the victory in the July Upper House election. Whether Ozawa was able to get his message across to party members is not certain.

"A proverb goes, 'After rain comes fair weather.' We must make that proverb come true," Hatoyama said before the reporters after successively persuading Ozawa. He looked stern, however, because of the mood in the party.

Watanabe described Ozawa this way yesterday: "I've known him for 38 years now, and it was the first time that he didn't seem arrogant." Another DPJ executive portrayed him as somewhat remorseful. After the meeting in which Ozawa decided to remain in office, he reportedly asked for handshakes with all the members, including Hatoyama.

How will Ozawa, who has not changed himself though he has said he would, deal with the party's crisis he has invited? A joint meeting of DPJ members in both chambers, planned for this evening, will be a test for Ozawa, who is a poor speaker.

Strong alarm at policy talks; Fear about a grand coalition lingers

The DPJ leadership asked Ozawa to stay on as party head on the condition that forming a grand coalition with the LDP is not allowed. After his meeting with Ozawa last night, Secretary General Yukio Hatoyama told the press that no conditions were attached to Ozawa's decision to remain as party head. As seen in a DPJ executive's comment, "Although the idea of forming a coalition has evaporated, the rest will be a matter of timing," whether or not the DPJ will hold talks on policies with the LDP remains unclear.

Many DPJ members, including Deputy President Seiji Maehara, are negative about holding policy talks (with the LDP). They fear that the DPJ might again search for ways to form a coalition following talks on polities, such as the overseas dispatch of the SDF based on a UN resolution, Ozawa's stock argument. Policy Research Committee Chairman Tetsuro Fukuyama in a Nikkei interview last night also said that the party was not in the conditions to discuss security policy (with the LDP).

In the term-based meetings yesterday, members close to Ozawa voiced opinions tolerant of policy talks. Hajime Ishii, for instance, said: "The party should be allowed to confer on security and fundamental state issues (with the LDP)." Yoshihiro Kawakami noted, "In policy talks, it is necessary to get the LDP accept DPJ policy."

"Meeting the government and ruling parties halfway after holding talks and cooperating with them is not the way to fulfill our responsibility."

As seen in this comment, Ozawa, after taking control of the Upper House, has played up the confrontational stand against the ruling parties in an effort to press (the prime minister) for early Lower House dissolution and a snap general election. Why Ozawa was so eager to hold policy talks (with the LDP) remains a mystery to many DPJ members.

(3) Editorial: Ozawa-led DPJ likely to face difficulties in

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restoring public confidence in it

NIKKEI (Page 2) (Slightly abridged)
November 7, 2007

After being persuaded by his party members, Democratic Party of Japan's (DPJ) President Ichiro Ozawa retracted his resignation and decided to stay on as head of the party. His decision is in part unavoidable in terms of preventing a breakup of the DPJ and ending the political turmoil, but Ozawa's recent words and actions related to the formation of a possible grand coalition (with the ruling Liberal Democratic Party (LDP)) have aroused a strong sense of distrust within his party and outside it. It is not going to be easy for the Ozawa-led DPJ to restore the public's confidence in it.

DPJ executives were desperate to persuade him to remain in the post, apparently out of fear that if they allowed Ozawa to step down, he would leave the party, precipitating a breaking up of party itself. Although a number of party members voiced their criticisms of Ozawa for having tried to form a grand coalition with the LDP, but most DPJ lawmakers thought that in order to avoid further turmoil in the party, they had no choice but to agree to Ozawa's staying on as party president.

Ozawa once proclaimed that the DPJ would win a majority of seats in the next Lower House election and grab the reins of government, but in the recent move, he sought to establish a coalition government with the LDP. This caper has significantly damaged the DPJ. When announcing his intention on Nov. 4 to resign as party head, Ozawa said: "Because of the party's lack of capability in various aspects, I think it is questionable whether it has the ability to take the reins of government. It appears to me that it would be difficult for the DPJ to win in the next general election." These were serious charges to make.

Ozawa's political technique of giving priority to politics and his rigid fundamentalist ideas would seem to be the problems. Ending the Maritime Self-Defense Force's (MSDF) refueling mission in the Indian Ocean, which is viewed as Japan's international contribution to the war on terror, could lead to Japan losing the confidence of the international community. Ozawa's political style, as seen recently in his creating a political row by uncompromising opposition to continuing the refueling mission, is a major cause of the doubt that now exists about the DPJ's capability of running the government.

Ozawa has insisted that the Self-Defense Forces (SDF) should not be dispatched abroad if there is no supporting United Nations resolution, and he and Prime Minister Fukuda in their recent meeting reached accord on that point. But it is doubtful that the LDP has actually accepted Ozawa's idea. Although it is generally desirable to establish a permanent law as a legal basis for overseas dispatches of the SDF, Ozawa's conventional view that a UN resolution is essential for such service abroad in the end could hollow out the Japan-US alliance.

Taking advantage of the recent meeting between Ozawa and Fukuda, talks between the ruling and opposition blocs moved forward. In fact, a bill revising the Law for Helping Disaster Victims to Rebuild Their Living and a bill revising modifying the Minimum Wage Law, are expected to be passed after modifications are made to them. What is expected of the current situation in the Diet, where the ruling bloc holds a majority in the Lower House and the opposition

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bloc controls the Upper House, is that both the ruling and opposition parties must hold serious discussions of bills aimed at protecting the people's lives and then enact them. If their discussion fails to find common ground, the ruling parties should move to take a re-vote on the bills rejected by the Upper House.

The right approach would be for the LDP and the DPJ to continue efforts to hold discussions and come up with their respective responsible manifesto (policy pledges) for the next general election, when each will seek the nation's judgment. The question of whether to form a grand coalition should be debated in line with the result of that process.

(4) Okinawa governor calls for central government to alter its Futenma relocation plan

YOMIURI ONLINE NEWS (Full)
November 7, 2007, 13:56 p.m.

The Council on Relocation of the US Marine Corps Air Station Futenma (in Ginowan City, Okinawa Prefecture), a panel consisting of representatives of the central government, the Okinawa prefectural government, and four relevant municipalities, including Nago City, charged with discussing the relocation of the Futenma base, held its fourth round of meetings this morning at the Prime Minister's Official Residence.

The council met after a lapse of 10 months. Prior to this, discussion between the central government and local municipalities had been stalled over such problems as whether to modify the current central government-produced relocation plan. But the central government, taking advantage of the resumption of the council discussion, wants to pave the way for an early relocation of the base. The council is scheduled to meet again before the year's end.

Joining the meeting this morning were Chief Cabinet Secretary Machimura, Defense Minister Ishiba, Foreign Minister Koumura and other officials from the central government, and Okinawa Gov. Hirokazu Nakaima, Nago Mayor Yoshikazu Shimabukuro and other officials from Okinawa. At the beginning of the session, the council decided to change the host of the council from the defense minister and the minister in charge of Okinawa to the chief cabinet secretary. This change is aimed at demonstrating that the central

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government as a whole will address the relocation issue.

Regarding the central government's plan to construct a V-shaped airstrip on a coastal area of Camp Schwab (in Nago City), Gov. Nakaima said: "I expect the central government to voluntarily decide to construct an airstrip in an area further off the shore and within the framework of an environmental assessment. The planned V-shaped airstrip would affect the living environment and the natural environment, so it is not the best plan." As for how to alter the plan within the parameters of an environmental assessment, the Okinawa prefectural government said: "It would be good if the plan is modified so that the airstrip is constructed some 56 meters further offshore."

In response, Defense Minister Ishiba said: "The central government's plan is the best plan, and I think it is difficult to change the current plan unless there are rational reasons, but I'll listen to local opinions and would like to sincerely hold talks with local municipalities from now on as well."

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After the session, Ishiba emphasized his intention to seriously consider local calls for the central government to modify its plan, telling reporters: "I wonder what will be best logically, scientifically, and in view of law enforcement. We must consider (their request) with an open mind."

With the indication that the central government is willing to listen to local calls for altering its plan, the stalled relocation issue

is likely to get rolling. However, many in the government are still negative about revising the plan, so there seems to be a bumpy road ahead of the central government's efforts to coordinate different views in the government.

The Okinawa governor urged the central government to implement the budget for economic stimulation of Northern Okinawa Island (worth 10 billion yen), which has not yet been implemented because of the stalled Futenma relocation issue.

(5) Moriya explains details of presence of Mirise employee at CX engine procurement meeting: Related source points out discrepancy with his testimony given at summoning of sworn witness

ASAHI (Page 35) (Almost full)
November 7, 2007

The Defense Ministry held a meeting in January this year to discuss procurement of engines for the next-generation transport planes, codenamed CX. In this connection, it was learned through a related source that at the time, the presence of a person from Nihon Mirise, which was not an agent of General Electric (GE) of the US, manufacturer of the CX engine, at the meeting arose as a problem in the ministry, and the matter was reported to the Administrative Vice Foreign Minister Takemasa Moriya.

Regarding this issue, New Komeito lawmaker Shigeyuki Tomita at a meeting of the Lower House Antiterrorism Special Committee on Oct. 29 questioned, "Isn't it strange that a person from a company that has nothing to do with the procurement of the CX engine attended a meeting of the Defense Ministry, unless somebody approved this person's presence?" Moriya replied, "I am not aware of that matter." Moriya is expected to be summoned to the Upper House as a sworn witness on the afternoon of Nov. 8. This will likely arise as a problem again.

According to more than one source, the meetings in question took place from January 30 through February 1. The aim was to discuss technical matters of the engine. Defense Ministry officials and representatives of GE, Yamada Yoko, then agent of GE, and Kawasaki Heavy Industries, manufacturer of the aircraft, took part. A representative from Nihon Mirise was also present at these meetings.

A problem arose around March over the attendance of an employee of Nihon Mirise, which was not GE's agent at the time. The ministry compiled a report on the background of this person's attendance and submitted it to then Defense Minister Kyuma and Moriya. A briefing was also given to them. The matter was in the end settled by characterizing this person as an interpreter for GE.

Remaining questions -- attendants at wining and dining, kickbacks

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Moriya to be summoned as sworn witness to Upper House tomorrow

Questioning of Moriya as a sworn witness will take place tomorrow at the Upper House Diplomatic and Defense Affairs Committee. How will he explain about the questions that arose at the Lower House session? Concerning a meeting of the Equipment Examination Council chaired by Moriya, where it was decided to adopt GE's engine for the CX, Moriya was asked in the summoning as a sworn witness to the Lower House, "Were you aware that Yamada Yoko was GE's agent?" He replied, after consulting with his assistant, "I was not aware of that." On the other hand, however, he stressed that Miyazaki was his longtime friend of 23 years standing. Some have pointed out that his testimony was unnatural.

Moriya is also suspected of having acted this June as an influence-peddler for Nihon Mirise, which was in financial difficulty. Questions have arisen on his testimony on this matter as well. He admitted that he met the president of a company affiliated with a leading company at a wining and dining session, but denied the allegation that he had raised the issue of financing for Nihon Mirise during talks with this president. However, Miyazaki, who

became the president of Nihon Mirise in August, told an Asahi Shimbun reporter, "Mr. Moriya told the president of that company, 'please help Mr. Miyazaki, because he has taken great pains for the industry for 40 years." There is thus a major discrepancy between explanations given by both.

Moriya revealed that several politicians, including those who served as Defense Agency director general, were present at the wining and dining session with Miyazaki, but he stopped short of giving the names of those who were present. He is bound to be pursued on this matter as well.

Moriya admitted to accepting free rounds of golf, but he totally denied the allegation that he did a favor for the procurement of defense equipment in return for that.

However, many allegations concerning Moriya, such as that there was no disciplinary action against excessive billing for equipment, have been made. He will likely be pursued on these allegations as well.

Number of Defense Ministry officials obtained jobs at private companies they used to oversee reached 613 between 2000-2006

Relations between Defense Ministry officials and officials of related companies have arisen as a problem, as can be seen in the fact that Motonobu Miyazaki, former executive director of Yamada Yoko, a trading house specializing in military procurement, treated Moriya with free rounds of golf, etc. Regarding the Defense Ministry, it was also found that ministry officials landed jobs at 242 related companies between 2000-2006 after retiring from the ministry. The Defense Ministry submitted the data at the request of the Upper House Budget Committee.

According to the data, four former Defense Ministry officials took up jobs at Yamada Yoko during this period. Nobody joined Nihon Mirise, which was established by Yamazaki last year. It was found that 14 joined Fujitsu and one went on to work at Fujitsu Tokki Systems. Mitsubishi Heavy Industries accepted the largest number of 38, followed by NEC with 27, Mitsubishi Electric Corp. with 24 and IHI with 17. Toshiba and Hitachi employed 14 each.

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(6) Ex-US affiliate exec embezzles money from Yamada Corp. for use as secret slush fund

MAINICHI (Page 29) (Full)
November 7, 2007

Motonobu Miyazaki, 69, a former managing director of Yamada Yoko Corporation, a defense-related trading firm, who used to regularly wine and dine former Administrative Vice Defense Minister Takemasa Moriya, is alleged to have embezzled money from a US-based affiliate of Yamada Corp. In this incident, that subsidiary company's former president, 70, appropriated the money as told by Miyazaki. The Tokyo District Public Prosecutors Office has firmed up its intention to indict Miyazaki for embezzlement, and its task force is looking into the feasibility of indicting the former president for conspiracy. Prosecutors apparently have asked the former president to return home.

According to informed sources, Miyazaki wrote out a check for the owner of Yamada Corp. under the pretext of pay for executives at Yamada International Corporation, a US-based subsidiary of Yamada Corp. Miyazaki cashed the check and transferred the money to the former president's bank account. In addition, Miyazaki transferred the money to accounts with another bank and a securities firm to raise off-the-book funds. Miyazaki is said to have told the former president to manipulate accounting in that way. The secret fund is believed to have added up to several hundred million yen over the period of about 10 years from 1998.

Miyazaki illegally drew about 100 million yen out of that account, the sources said. Miyazaki had the withdrawn money sent to Japan in 2006, according to the sources. He is therefore suspected of having embezzled corporate funds. He is alleged to have told the former

president to transfer the money.

In June 2006, Miyazaki left Yamada Corp. Soon after in August that year, the former president also left the company. In September 2006, the two established Nihon Mirise Corporation (NMC), a trading firm in the same line of business as Yamada Corp.'s. The former president became a managing director of NMC and became a representative director of Nihon Mirise U.S.A., a US-based corporation. The task force of prosecutors suspects that Miyazaki and the former president used some of the embezzled money for the new company's working funds.

The former president is close to Miyazaki, according to the sources. He is fluent in English and has long been with Yamada Corp.'s subsidiary in the United States. He used to entertain senior officials from the then Defense Agency and other guests when they visited the United States. In the meantime, Moriya's second daughter entered a language school in the United States. On that occasion as well, Miyazaki told the former president to help her find where to live in the United States and buy necessities for living there.

(7) Column by Soichiro Tahara: North Korea has high expectations of relations under Prime Minister Fukuda moving closer

SHUKAN ASAHI (Page 142) (Full)
November 16, 2007

I arrived in North Korea on Oct. 30 after a three-year absence. Although I entered Pyongyang via Beijing, in contrast to the air

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over Beijing which was filled with thick smog, the sky over Pyongyang was so clean and blue that I took a deep breathe after arriving. The housing along the road from the airport to downtown Pyongyang had become very clean-looking, as if they had just been rebuilt. At an intersection where there was no signal, I noticed a policewoman skillfully directing traffic.

In Pyongyang, I met Ambassador for Normalization Talks with Japan Song Il Ho. In my interview, which lasted approximately two hours, he said he was angry with the attitude of the Japanese side during bilateral negotiations that had taken place in Vietnam this March. At the time, Japan was under the Abe administration. He said the Japanese delegation had only focused on pressure tactics during the negotiations:

"Japan was arrogant. Although there had been informal discussions until only three days before, they decided suddenly to change to a formal meeting, and ignoring the issue of the colonial period in the past, said that they would not pay remunerations at all, and that economic cooperation would only be at ODA (official development assistance) levels."

Ambassador Son Il Ho said that if Japan would ease its economic sanctions and build an environment for dialogue, North Korea was prepared to carried out another investigation into the abduction victims. "It is completely regrettable that this kind of situation has developed," he said.

He lamented that although there had been a thawing of relations with the visits of Prime Minister Koizumi to Pyongyang, Japanese public opinion since then had become severe toward North Korea. However, he welcomed the installation of Prime Minister Fukuda, declaring, "He will tackle the improvement of ties between Japan and North Korea." He said that he would like Prime Minister Fukuda to make efforts not in a "supporting role" but as a "main actor." He made it clear that North Korea was prepared to respond to such efforts.

Yang Hyong-sop, the vice chairman of the Standing Committee of the North Korean Supreme Peoples Assembly said it this way:

"Although we are making efforts, we want Japan, too, to make more efforts. Although former Prime Minister Koizumi made such efforts, an adversarial policy settled in. However, we have high hopes for Prime Minister Fukuda from now on."

The challenges for Prime Minister Fukuda are really huge. During my stay in Pyongyang, negotiations between the United States and North Korea have been going on. Son Il Ho said, "They are moving in our favor." Although the information is slightly different than what is in Japan, of the members of the six-party talks, four countries, excluding Japan, have reportedly decided to provide North Korea with 500,000 tons of the 950,000 tons of heavy fuel it needs.

Moreover, the US and North Korea are rapidly moving closer. America seems to have stated its intention to remove North Korea from the list of states sponsoring terrorism. There is even talk of Secretary of State Rice visiting North Korea next spring. So North Korea suddenly has become upbeat.

With America and North Korea moving closer, and Russia, China, and the Republic of Korea following the US lead, only Japan is still off at a distance. I am worried whether the Japanese government has any

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sense of alarm about that situation.

On the 31st, at the Koryo Hotel where I was staying in Pyongyang, the team of US experts arrived in order to carry out the work to disable (the three) facilities at the Yongbyon nuclear complex. The next day, I interviewed the team leader Song Kim, who is the Korea desk director at the US State Department. He told me that the work would start as early as the beginning of the week.

Feelings toward Japan among the North Korean people have worsened. If it were still three years ago, it would have been relatively easy to get people to respond to street interviews. But this time, once they know I am from the Japanese media, they are frankly averse to being interviewed. I felt that hostility toward Japan had grown.

It would seem that it is still too soon for Prime Minister Fukuda to come to North Korea. Before that happens, is it possible for someone from the Japanese side to come to do the spadework? That is the problem.

(8) Japan's global warming gas emissions down 1.3 PERCENT last year: Still topping 1990 level by 6.4 PERCENT

ASAHI (Page 10) (Full)
November 6, 2007

The Environment Ministry yesterday released that the amount of Japan's global warming gas emissions in fiscal 2006 came to 1.341 billion tons in terms of CO₂, down 1.3 PERCENT from the preceding year, according to a spot report. However, it still exceeds 1.261 billion tons of the base year (mainly fiscal 1990) set under the Kyoto Protocol by 6.4 PERCENT. Japan is mandated to cut carbon emissions by 6 PERCENT between fiscal 2008 and fiscal 2012, compared with the level of the base year. It is necessary for it to cut such emissions by 7.0 PERCENT from the current level, even if the amount absorbed by forests and emission quotas obtained from abroad are taken into account. It is still hard for Japan to attain its goal.

The drop in global warming gas emissions from the previous year is reportedly attributable to a decline in the consumption of kerosene and electricity due to the unusually warm winter, and a drop in such emissions by the operating and household sectors, such as offices. However, emissions by the operating sector increased 41.7 PERCENT, followed by 30.4 PERCENT by the household sector and 17.0 PERCENT by the transportation sector, though such emissions by the industrial sector dropped by 5.6 PERCENT.

The Environment Ministry sees that of the 6.4 PERCENT increase, 3.1 PERCENT (39 million tons) is attributable to the long-term suspension of a nuclear power plant.

The ministry has also independently estimated that emissions of CO₂, which accounts for a large part of global warming gasses, would increase by 4.8 PERCENT in the April-June quarter in fiscal 2007, compared with the same period in the previous fiscal year. Chances are that global warming gas emissions increased due to the

suspension of the operations of the Tokyo Electric Power's Kashiwazaki-Kariwa Nuclear Plant as a result of the Chuetsu Earthquake occurred in Niigata Prefecture in July.

(9) Interview with former Chief Cabinet Secretary Yasuhisa Shiozaki:

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Necessary to prevent imposition of Western standards

ASAHI (Page 9) (Full)
November 7, 2007

Under the Kyoto Protocol, industrialized countries are required to reduce greenhouse gas emissions by 5 PERCENT from 1990 levels starting next year. In December, the 13th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP13) will be held. The European Union (EU), which has taken the initiative in establishing international rules on trading in greenhouse gas credits, is coming closer to the United States, which dropped out of the Protocol. Japan undeniably seems to have started late, even though it will host the Toya Summit in Hokkaido next summer. The Asahi Shimbun interviewed former Chief Cabinet Secretary Yasuhisa Shiokawa, who was involved in drawing up measures

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to help prevent global warming under the former Abe administration.

-- What stance do you think Japan should take in order to fight global warming?

The Environment Ministry and the Ministry of Economy, Trade and Industry (METI) have been at loggerheads over the propriety of introducing an environment tax, with the former taking a positive view and the later taking a cautious view. In order for Japan to successfully stage-manage the G-8 Summit, drawing an answer is more important than conducting discussion. To this end, it is indispensable for the Prime Minister's Office (Kantei) to take the initiative.

-- What is the major role of the four-minister conference established under the former Abe administration?

The conference is composed of the chief cabinet secretary, the METI minister, the environment minister, and the foreign minister. Its aim is for the ministers to force their respective ministry officials to speedily work out a strategy free from any ministry interests. The administration announced its long-term strategy called "Invitation to Cool Earth 50" and was able to contribute to the formation of a consensus in the G8 Summit 2007 Heiligendamm. This result was owing to Kantei-led politics.

-- How do you evaluate the Fukuda administration's approach to the issue?

It was regrettable that there was no four-minister meeting before the preparatory meeting for the COP13 held in late October. It is necessary to strengthen the function of the control tower in the Kantei. It is also a good idea to set up an office tasked with negotiations with foreign countries and domestic coordination.

-- The EU started moving to form a unified market with the US for trading in greenhouse gas credits.

Global-scale moves remain slow. Japan should participate in the formation of an international emissions trading system in some form. In Japan, Nippon Keidanren (the Japan Business Federation) and other business groups are taking a backward-looking stance on trading of emissions credits. But I think that Japan, keeping future cooperation in mind, should prepare a system to enable it to take quick action. We should learn lessons from the case in which the US cooperated with Europe in introducing common international

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accounting standards. If Japan imposes standards, it will be

expensive for the nation, and the people's burden will become heavier.

-- Japan proposed halving the current level of global greenhouse gas emissions by 2050. Do you think Japan should also come up with its own goal?

The EU has presented its own reduction goal covering until 2020. It is desirable for Japan also to set its own medium- to long-term target by the Summit. As a prerequisite, I want to see a citizens' campaign to combat global warming spread across the nation. Not only industrial circles but also the business and household sectors have yet to made sufficient efforts to curb greenhouse gas emissions.

-- Japan has proposed creating a new funds mechanism for financial aid to developing countries.

We want to help developing countries become smaller emitters of carbon dioxide while growing their economies. To demonstrate its enthusiasm toward the G-8 Summit, the government has to be prepared even to formulate a separate budget to finance the new funding mechanism.

SCHIEFFER